

Estimated Fiscal Impact of Bill # HB 82 Date 1/20/09Short Title Teacher Mortgage Loan ProgramContact Von Hortin Title Audit/Finance SpecialistAgency: State Office of Education Phone 801 538-7670**Short Form**

Use only when there is no appropriation needed for state agencies, and no fiscal impact on state revenues, local governments, businesses, or individuals.

If the bill looks like it should have a fiscal note, explain why it does not. For example, a bill might put into code something that is already current practice.

Attachments welcome.

- ☐ State agencies will not require an appropriation to implement the bill.
☐ There is no fiscal impact on local governments.
☐ There is no fiscal impact on businesses
☐ There is no fiscal impact on individuals.
☐ The bill will not affect revenues.

Explain why this bill has no fiscal impact.

A. What parts of the bill cause fiscal impact?

Cite specific sections or line numbers.

Lines 30-34 would require the USBE to create a loan program with funds from the appropriation to make loans and administer them. The USOE would need an additional FTE to administer the loans or to outsource the administration of the loans to a financial institution.

B. Which program gets the appropriation?

PCA

(Approp. Unit Code)

Minimum School Prog

Line Item

Minimum School Program

Approp. Unit

Minimum School Program

(To appropriate to an additional program use an additional form.) This is ____ of ____.

C. Work Notes: Assumptions, calculations & what are we buying?

Assume that a legislator calls you in to explain how you came up with your fiscal impact and these are the only notes you get to take with you.

List all costs. Identify one-time and ongoing costs. Detail FTE impacts.

Do not say, "\$50,000 in Current Expense." Be very specific about what \$50,000 will buy.

Attachments encouraged.

Either the USOE would have to hire an additional FTE to administer the program or they would have to pay a financial institution to administer the program. If they were able to administer the program internally it is estimated the salary and benefits would be \$115,000. To outsource this to a financial institution would be about \$100 per loan per year.

Fiscal Impact Tables

Current Budget Year
FY 2009

Coming Budget Year
FY 2010

Future Budget Year
FY 2011

D. If this is a revenue bill, show impacts here. (Select funds from drop-down menu.)

| | | | |
|--------------|------------|------------|------------|
| | | | |
| Total | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

E. Show Costs to Implement the Bill by Fund (Select funds from drop-down menu.)

| | | | |
|--------------|--------------------|--------------------|--------------------|
| Other | 1,615,000 | 1,615,000 | 1,615,000 |
| Total | <u>\$1,615,000</u> | <u>\$1,615,000</u> | <u>\$1,615,000</u> |

F. Show Costs to Implement the Bill by Expense Category.

| | | | |
|--------------------|--------------------|--------------------|--------------------|
| Personal Services | \$115,000 | \$115,000 | \$115,000 |
| Travel | | | |
| Current Expense | | | |
| DP Current Expense | | | |
| DP Capital Outlay | | | |
| Capital Outlay | | | |
| Other/Pass Thru | 1,500,000 | 1,500,000 | 1,500,000 |
| Total | <u>\$1,615,000</u> | <u>\$1,615,000</u> | <u>\$1,615,000</u> |

G. How will the bill impact local governments?

Your estimate of the bill's impact on local governments.

Attachments welcome.

the bill would increase the availability or mortgages for public school teachers. This would encourage home ownership.

H. How will the bill impact businesses?

Your estimate of the bill's impact on businesses.

Attachments welcome.

The bill would make about 100 public school teachers more readily able to purchase a home. This could help the construction industry.

I. How will the bill impact individuals?

Your estimate of the bill's impact on individuals.

Attachments welcome.

About 100 teachers per year would be eligible to receive additional help in buying a first home. The loan provisions would encourage younger teachers to remain in public education.

This is a draft fiscal note response from the Utah State Office of Education (USOE) and may be revised in the future.

7/31/11 00:00